

PPP & Children Health Coverage

A Case Study based on California, USA

Data/Information sources: California HealthCare Foundation (CHCF)

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“If help and salvation are to come, they can only come from the children, for the children are the makers of men.”

- *Maria Montessori (1870-1952)*

Why PPP?

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■ Access

- Availability of care (facilities, personnel, supplies) when needed; wide geographic coverage

■ Affordability

- Low premium or cost sharing relative to private insurance plans

■ Quality

- ❖ Preventive Services, e.g. immunizations, regular dental check-up, certain screenings, etc
- ❖ Low surgery complication/fatality rate
- ❖ Low hospital admission and re-admission rate
- ❖ Low avoidable utilization rate
- ❖ Incentivized through P4P

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Milestones affecting Children Health Coverage (1997-2009)

1997

- SCHIP, a 10-year program, was created by the federal Balanced Budget Act of 1997 through Title XXI of Social Security Act.
- Gave grants to states to expand public coverage for uninsured children in low- and moderate-income families not eligible for Medicaid.
- Set minimum standards for benefits and cost sharing.
- Allows states to expand coverage to parents, if sufficient funds are available.

Milestones affecting Children Health Coverage (1997-2009) ^a

1998

California creates:

- Healthy Families Program under SCHIP legislation
- Joint Medi-Cal/Healthy Families application
- Enrollment Entities and Certified Application Assistants (CAAs)

Milestones affecting Children Health Coverage (1997-2009) ^a

1999

- Eliminated face-to-face applications for children/families
- Created Single Point of Entry for Medi-Cal and Healthy Families
- Increased the eligibility threshold to 250 percent of the Federal Poverty Level (FPL)

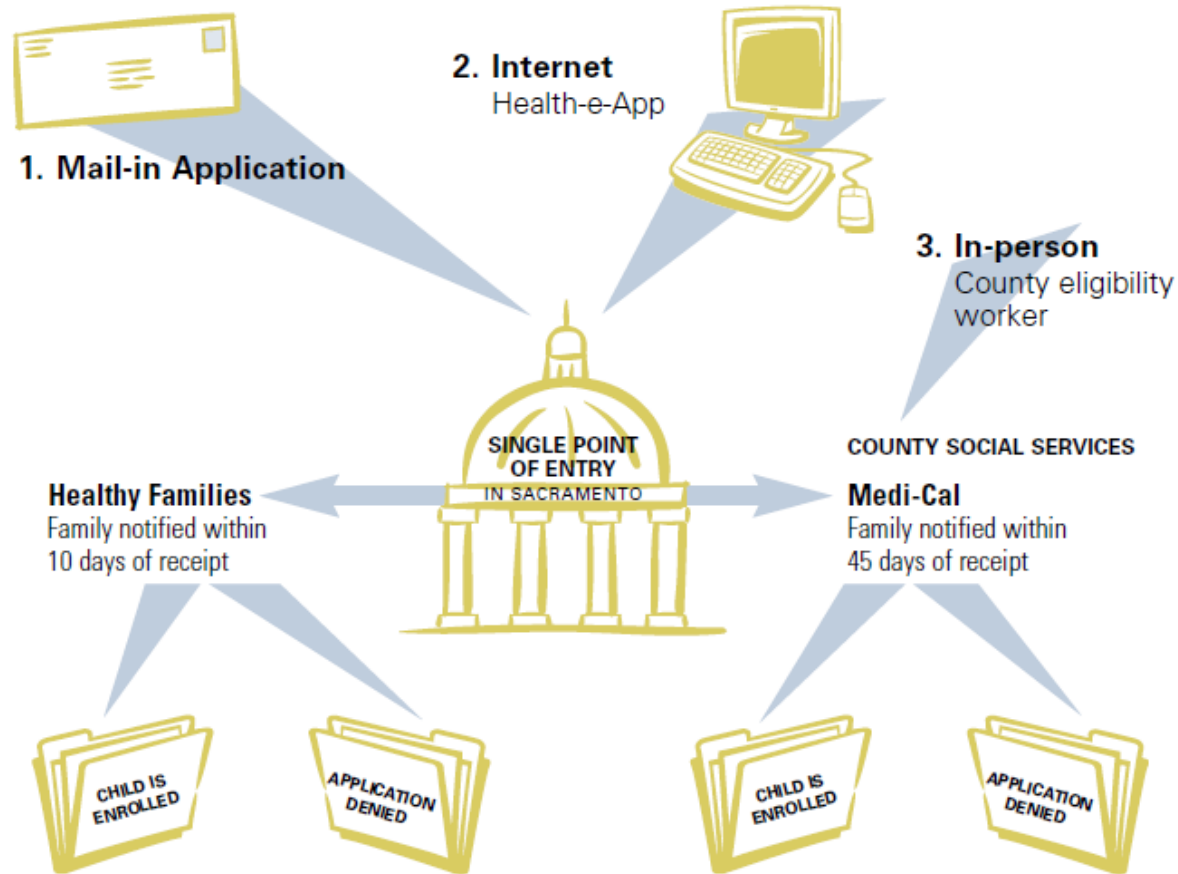
Milestones affecting Children Health Coverage (1997-2009) ^a

2001

- California launches Health-e-App (Internet-based application) to enroll children in Medi-Cal and Healthy Families
- Enrollment expense saved by upto 80 percent

Child Application Process

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Milestones affecting Children Health Coverage (1997-2009) ^a

2009

The Children's Health Insurance Program Reauthorization Act (CHIPRA):

- Gives states the option to provide coverage under Medicaid and CHIP to legal immigrant children and pregnant women during their first five years in the country.
- Provides bonus funding for states that increase child enrollment in Medicaid above a specified baseline and implement certain eligibility simplifications.

Types of Children's Health Coverage Program in California

PROGRAM	LAUNCH DATE	GEOGRAPHIC COVERAGE	PURPOSE	ADMINISTRATION	FUNDING SOURCES
Access for Infants and Mothers (AIM)	1992	Statewide	State program to cover mothers and infants who do not qualify for Medi-Cal. As of July 2004, infants born to AIM mothers are enrolled in Healthy Families.	California Managed Risk Medical Insurance Board (MRMIB) under federal rules	State General fund, federal title XXI funds, state proposition 99 funds, premiums paid by family
CaliforniaKids (CalKids)	1992	26 Counties (July 2009)	Not-for-profit program to offer limited coverage to children ineligible for public programs. Enrollment open in selected counties.	CaliforniaKids Healthcare Foundation	Foundations, corporations, non-profit hospitals, First 5 Commissions, premiums paid by family
California Children's Services (CCS)*	1935	Statewide	State-federal partnership to cover low- to moderate-income children with serious medical conditions for specific medical services and equipment.	California Department of Health Care Services under federal and state rules	Federal MCH Block Grant, state General Fund
Child Health and Disability Prevention (CHDP)	1974	Statewide	State-federal partnership to provide all children up to 200% of the Federal Poverty Level, including those with Medi-Cal, with periodic preventive health services and other care.	California Department of Health Care Services (DHCS) under federal and state rules	Federal government pays 50% for Medi-Cal eligible children, state General Fund, county dollars
Healthy Families	1998	Statewide	State-federal partnership to cover low- to moderate-income children under the federal SCHIP program.	California Managed Risk Medical Insurance Board (MRMIB) under federal rules	Kaiser Permanente, premiums paid by family Federal government pays 65%, state General Fund, premiums paid by family
Healthy Kids	2001	County-specific	County-specific plans to cover low- and moderate-income children not eligible for Medi-Cal or Healthy Families.	Varies. Local Health Departments, First 5 Commissions, Community-Based Organizations	Varies. First 5 Commissions, public health plans, foundations, non-profit hospitals, tobacco settlement funds, private donations and contracts, philanthropies, premiums paid by family
Kaiser Permanente Child Health Plan (CHP)	1998	Selected service areas	Not-for-profit health plan to offer and subsidize coverage for children ineligible for public programs due to family income or immigration status.	Kaiser Permanente	Kaiser Permanente, premiums paid by family
Medi-Cal	1966	Statewide	State-federal partnership to cover low-income Californians under federal Medicaid program.	California Department of Health Care Services (DHCS) under federal rules	Federal government pays 65%, state General Fund, county dollars ¹

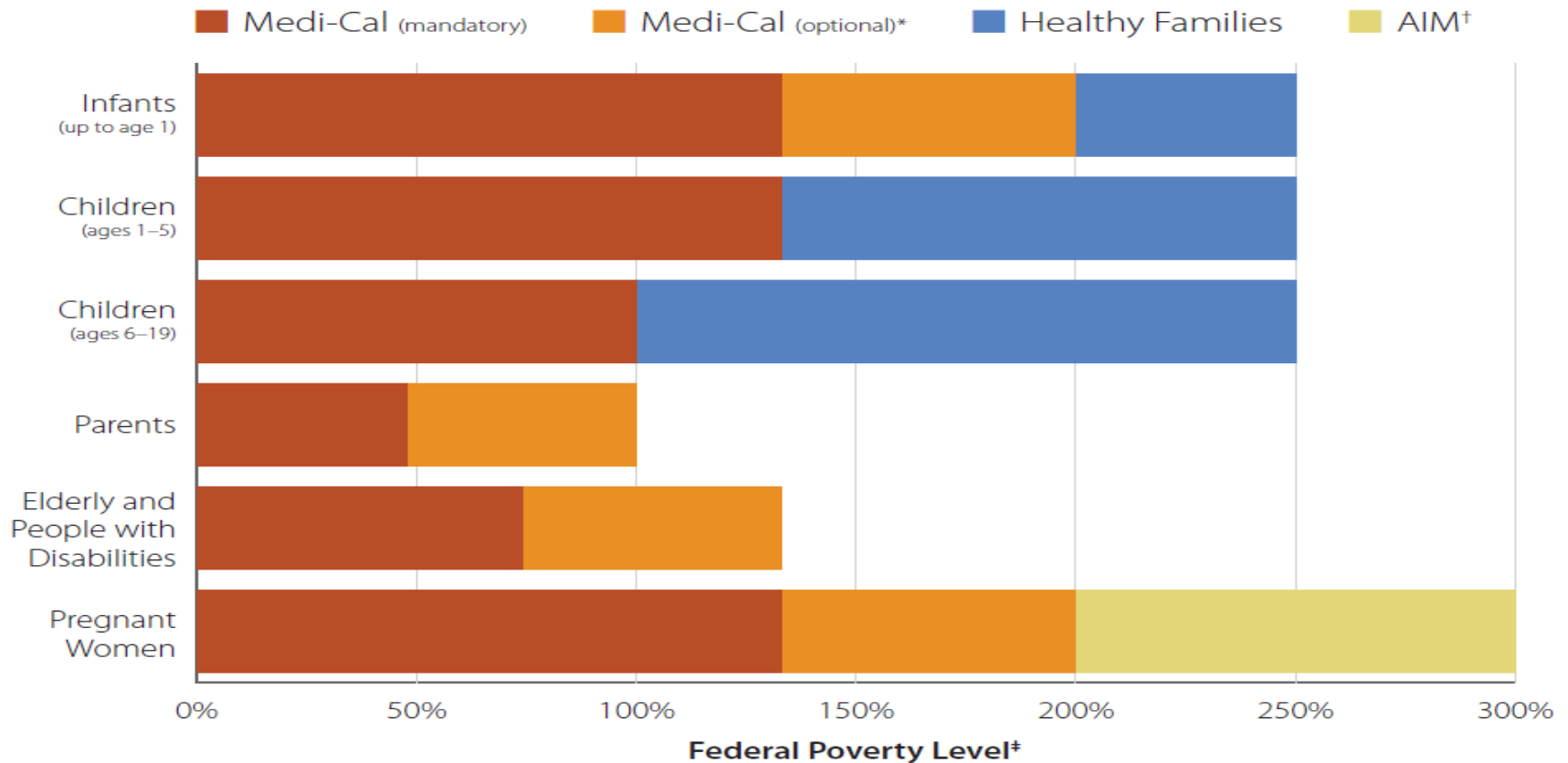
Eligibility Criteria

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	FAMILY INCOME REQUIREMENTS AS A PERCENTAGE OF FEDERAL POVERTY LEVEL (FPL)	OTHER MAJOR REQUIREMENTS
Access for Infants and Mothers (AIM)	200% to 300% FPL	California resident, pregnant, and either no other health insurance or coverage with deductible over \$500
CaliforniaKids (CalKids)	Up to 250% FPL (300% FPL in three counties)	Ages 2 to 18 and not eligible for public insurance
California Children's Services (CCS)	Family income up to \$40,000 or whose out-of-pocket costs for a CCS condition accounts for at least 20% of annual income	Under age 21, California resident, and eligible medical condition
Child Health and Disability Prevention (CHDP)	Up to 200% FPL	Under age 21 and California resident
Healthy Families	Up to 250% FPL	California resident/U.S. citizen, non-citizen nationals, or eligible qualified immigrants*
Healthy Kids	Up to 300% FPL (400% FPL in San Mateo County)	Under age 19, county resident, currently uninsured and not eligible for public insurance
Kaiser Permanente Child Health Plan	Less than 300% FPL	Under age 19, not eligible for public insurance, and no employer contribution toward insurance available
Medi-Cal	Infants: up to 200% FPL Age 1 to 5: up to 133% FPL Age 6 to 19: up to 100% FPL	California resident/U.S. citizen or qualified immigrant

Family Income Criteria

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*Medi-Cal must provide coverage for parents and families with incomes below the state's July 1996 AFDC need standard, which was \$730 per month for a family of three.

†Pregnant women not more than 30 weeks pregnant and their newborns up to age two with a total family income of 200 to 300 percent are eligible for Access for Infants and Mothers (AIM). Babies born to moms enrolled in AIM are eligible for enrollment in Healthy Families (CHIP).

‡Set at \$18,310 for a family of three for the period beginning April 1, 2009 and ending March 31, 2010.

Benefit Design

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	BENEFITS OFFERED	PREMIUMS PAID BY FAMILY	COPAYMENTS
Access for Infants and Mothers (AIM)	Comprehensive medical coverage, including dental and vision	1.5% of household income	None
CaliforniaKids (CalKids)	Comprehensive medical coverage, including dental and vision but excluding inpatient services	\$0 to \$20 per child, per month	\$5 to \$50, varies by service
California Children's Services (CCS)	Specialty medical care and equipment provided by approved specialists	None	None
Child Health and Disability Prevention (CHDP)	Preventive care and well-child exams	None	None
Healthy Families	Comprehensive medical coverage, including dental and vision	\$4 to \$24 per child, per month (capped at \$12 to \$72 per family, per month, depending on family size)	\$5 to \$10 for some services and \$0 for preventive services (capped at \$250 per family, per year)
Healthy Kids	Comprehensive medical coverage, including dental and vision	\$4 to \$14 per child, per month, varies by county (capped at \$12 to \$42 per family, per month, depending on family size)	\$5 to \$15 for most services
Kaiser Permanente Child Health Plan (CHP)	Comprehensive medical coverage, including dental and vision	\$8 or \$15 per child, per month for first three children in a family; additional children are free	\$5 for most services (capped at \$250 per calendar year for one child and \$500 for two or more children)
Medi-Cal	Comprehensive medical coverage, including dental and vision	None	None to receive services (unless in Medi-Cal Share-of-Cost program)

Notes: Comprehensive care includes inpatient, outpatient, lab tests, pharmacy, and long term care.

Medi-Cal

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- Comprehensive medical coverage, plus dental, vision, mental health, prescription drugs, EPSDT with some cost sharing (see next slide)
- Eligibility for Other Public Assistance Programs
- Family Income
- Family Assets:
 - For most beneficiaries, the upper limit is \$2,000 for one person and increases with family size.
 - Countable personal property includes but is not limited to savings, checking, stocks, bonds, and certain life insurance policies and annuities.
 - The home is usually not considered.
 - Personal assets are not considered for certain pregnant women and children who are under certain levels of federal poverty.
- U.S. Citizenship
- California Residency (documented)
- Institutional Status
- Deprivation

Medi-Cal Cost Sharing

- sometimes charged copayments for selected services; however, providers are not allowed to refuse service for lack of payment.
- Common copayment amounts are:1
- Physician office visit: \$1
- Non-emergency services received in an emergency room: \$5
- Drug prescription or refill: \$1
- Copayment amounts do not apply to emergency services, family planning services.
- Several groups of beneficiaries are exempt from copayments, including children 18 and younger or living in foster care, and, in general, pregnant women and the institutionalized.

Healthy Families

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- Comprehensive medical coverage, plus dental, vision, mental health, and prescription drugs
- Uses federal (67 percent) and state (33 percent) revenues.
- Administered by California's Managed Risk Medical Insurance Board (MRMIB).
- Overseen by the federal Centers for Medicare and Medicaid Services (CMS).
- Children must be:
 - ✓ Under age 19.
 - ✓ Uninsured during the previous three months (with some exceptions).
 - ✓ U.S. citizens, non-citizen nationals, or qualified immigrants.
 - ✓ Children are first screened for Medi-Cal eligibility and enrolled in Medi-Cal
 - ✓ Doctors can request immediate temporary coverage for pregnant women and children while they apply for the program

Access for Infants and Mothers (AIM)

- Provides low-cost health coverage to pregnant women and their newborns
- Family incomes up to 300 percent of the Federal Poverty Level.
- Available to families with no health insurance, and to those with health insurance if their deductible for maternity services exceeds \$500.
- Requires California residency and a one-time premium of 1.5 percent of annual household income.

California Children's Services (CCS)

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- Covers specific medical services and equipment provided by CCS-approved specialists for qualified persons under age 21 who have conditions that are physically disabling or require medical, surgical or rehabilitation services
- Covers those with family income up to \$40,000 (as of 2006), those whose out-of-pocket costs are expected to account for at least 20 percent of family income, and those with coverage through Healthy Families.
- A FEW COVERED CONDITIONS INCLUDE:
 - ☐ Cancer
 - ☐ Diabetes
 - ☐ Serious birth defects
 - ☐ Injuries due to accidents or violence
- Serves approximately 39,000 children each month

Child Health and Disability Prevention Program (CHDP)^a

- Provides periodic preventive health services.
- Is open to children under age 21 with Medi-Cal, and other children under age 19
- with family income up to 200 percent of the Federal Poverty Level.
- Serves approximately 7,500 children each month.

THE CHDP GATEWAY:

- Allows CHDP providers to temporarily enroll children immediately in Medi-Cal for 60 days while eligibility for Medi-Cal or Healthy Families is determined.

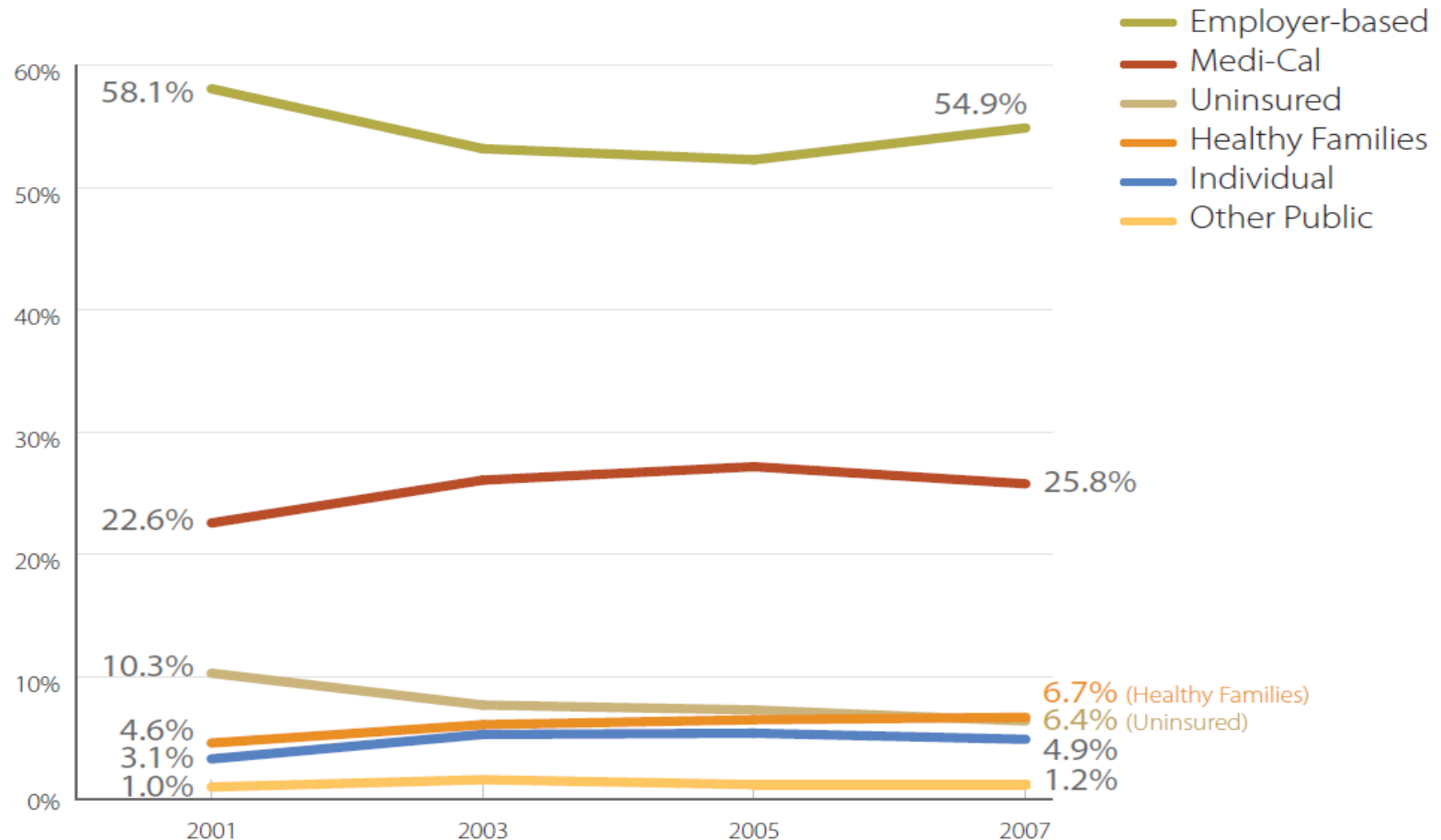
Children's County-based Health Initiatives

- Offer low-cost health insurance for children with family incomes up to 300 percent FPL who do not qualify for existing public coverage.
- Generally model their benefits and cost sharing after Healthy Families; some offer a restricted benefit through CalKids and Healthy Kids.
- Are generally funded by a mix of public and private sources that varies by county, but do not receive support from the state general fund.

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Children Health Coverage Trend

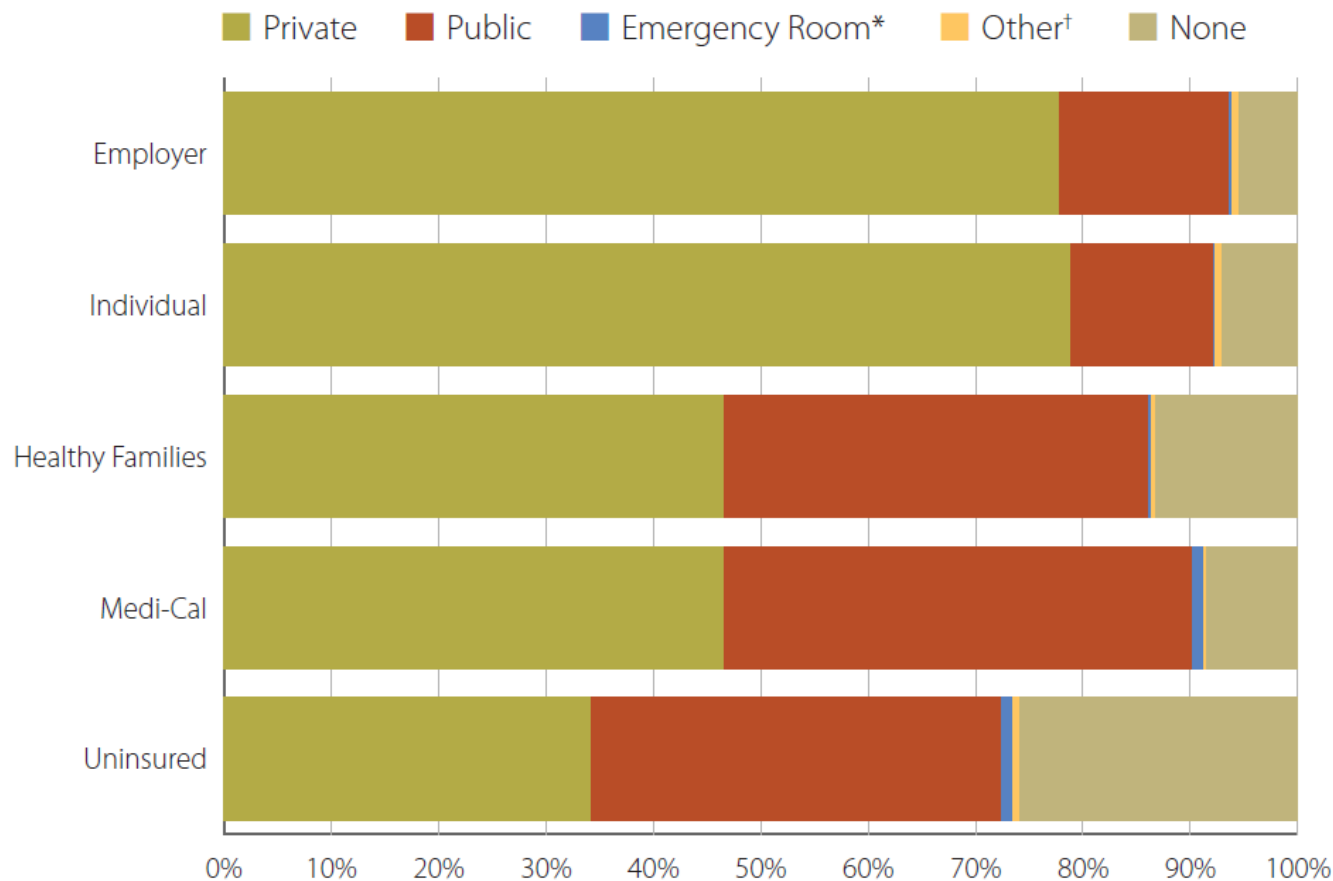
PERCENTAGE OF INDIVIDUALS



Children Source of Medical Care by Facility Type (2007)

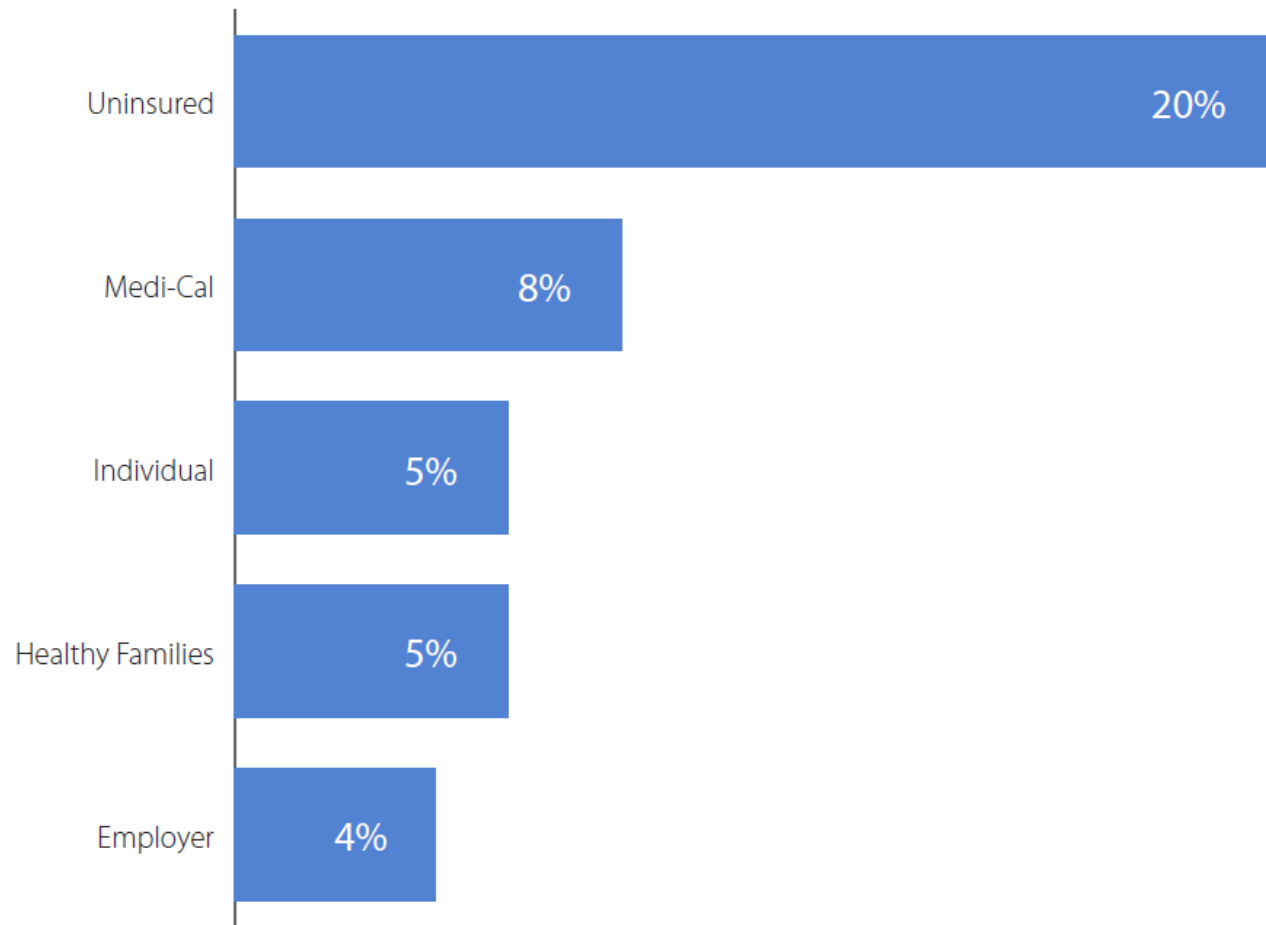
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SOURCE OF COVERAGE



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Children who did not receive or delayed care when needed (2007)



Immunization Status (2007)

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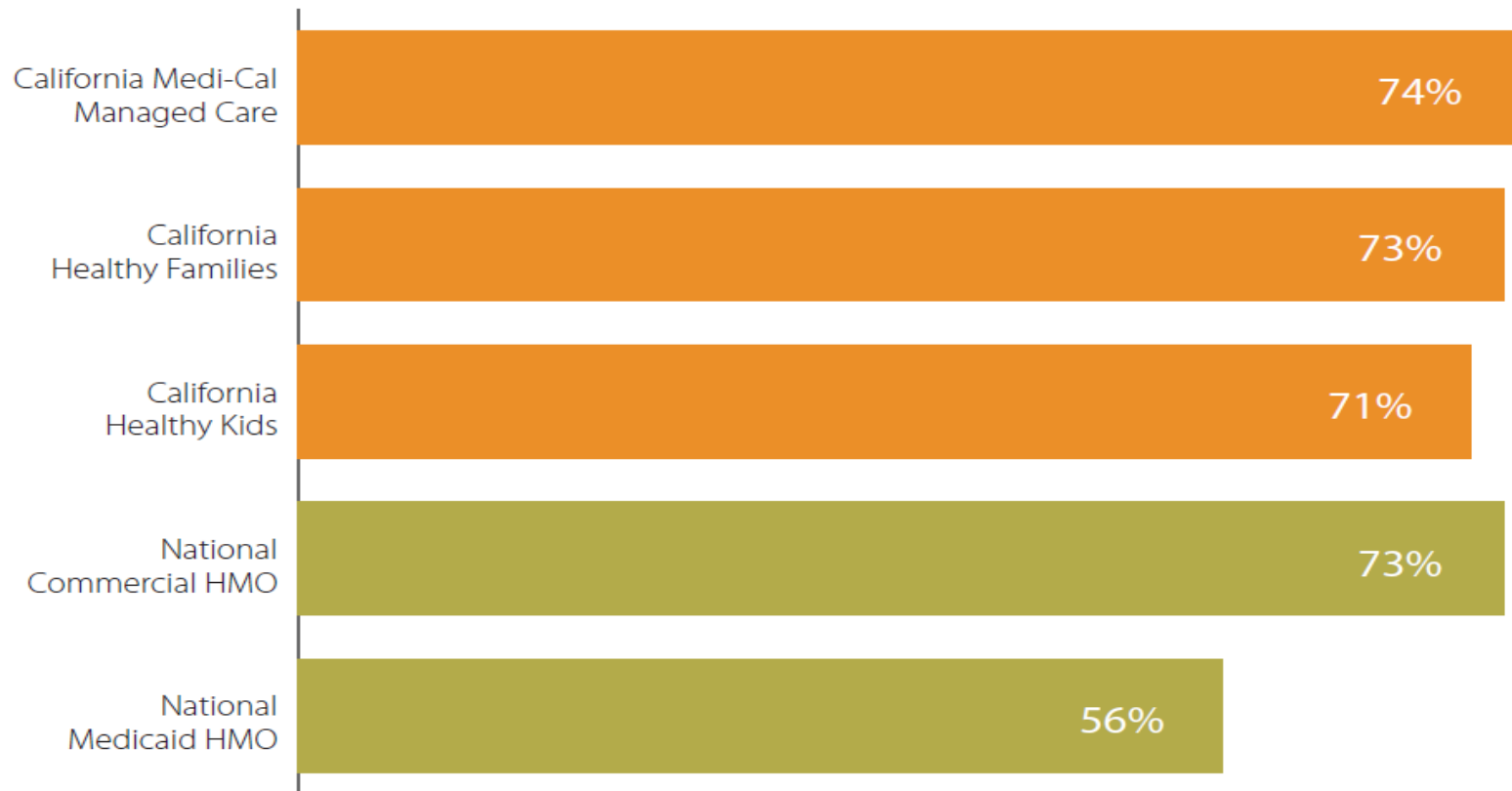


*Northern California only.

Notes: "Immunization Status" refers to the number of children who received the following immunizations by their second birthday: four diphtheria, tetanus, and acellular pertusis (DTaP); at least three polio (IPV); at least one measles, mumps, and rubella (MMR); three H influenza type B (Hib); three hepatitis B; and one chicken pox (VZV). For Medi-Cal, these reported rates are for children enrolled in Medi-Cal managed care plans only. For Medi-Cal, Healthy Families, and Healthy Kids, the data are a weighted average of the rates among the county or regional health plans. There is some variation in these rates among these plans just as private plan performance may vary among the various regions within the state. These data are reported by the National Committee for Quality Assurance (NCQA) in their 2007 Healthcare Effectiveness Data and Information Set (HEDIS). HEDIS is a tool used by more than 90 percent of America's health plans to measure performance in terms of care and service using 71 measures across 8 domains of care. For more details on HEDIS methodology and scope, please see www.ncqa.org/tabid/59/Default.aspx.

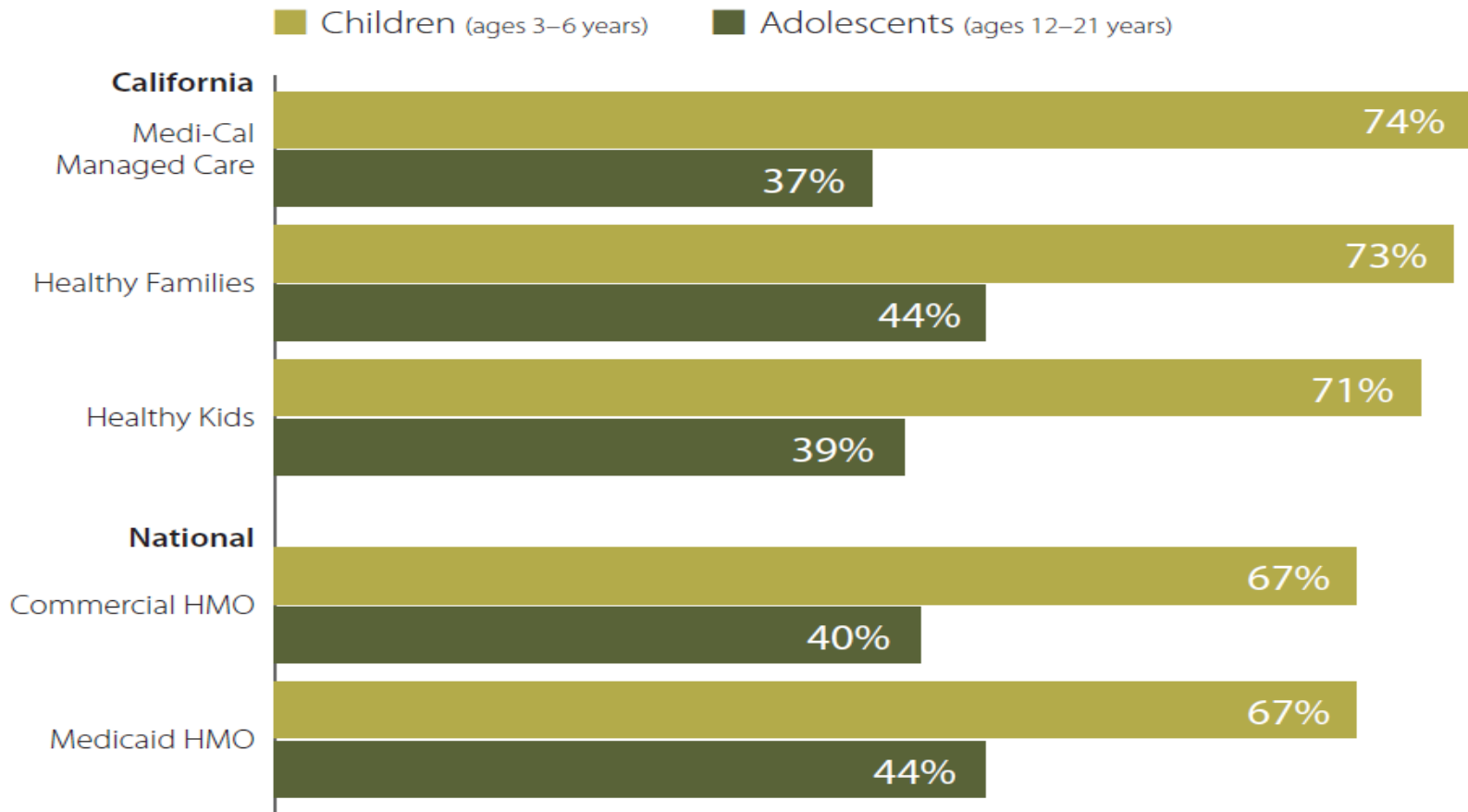
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Well-baby Visits in Managed Care Plans (2007)



Notes: Infants include babies up to age 15 months. These data are reported by the National Committee for Quality Assurance (NCQA) in their 2007 Healthcare Effectiveness Data and Information Set (HEDIS). HEDIS is a tool used by more than 90 percent of America's health plans to measure performance in terms of care and service using 71 measures across 8 domains of care. For more details on HEDIS methodology and scope, please see www.ncqa.org/tabid/59/Default.aspx. For Medi-Cal, these reported rates are for children enrolled in Medi-Cal managed care plans only. For Medi-Cal, Healthy Families, and Healthy Kids, the data are a weighted average of the rates among the county or regional health plans. There is some variation in these rates among these plans just as private plan performance may vary among the various regions within the state.

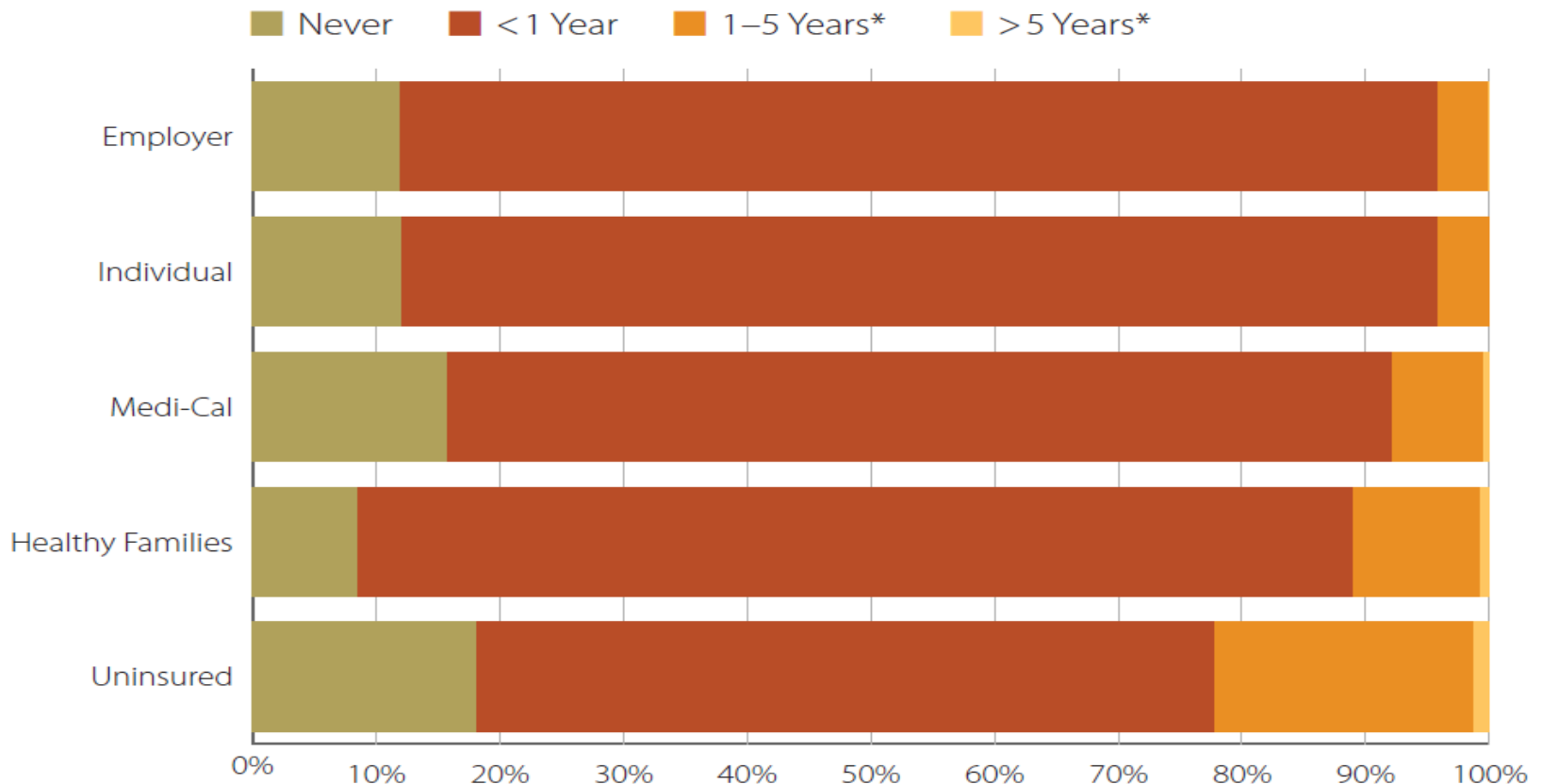
a Well-Child and Well-Adolescent Visits in Managed Care Plans (2007)



Notes: Well-child visits are among those ages 3 to 6 years old and well-adolescent visits are among those ages 12 to 21 years old. HEDIS measures are not available for the 7 to 11 age group. For Medi-Cal, these reported rates are for children enrolled in Medi-Cal managed care plans only.

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Time since Last Dental Visit (2007)



*Excluding Uninsured, data in these categories are statistically unreliable due to an insufficient number of respondents and/or a standard of error that exceeds the acceptable range.

Notes: Includes children between the ages of 2 and 18 years old, unless it was indicated on the survey that the child had a tooth at a younger age.

Medi-Cal Managed Care vs. FFS

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	MANAGED CARE	FEE-FOR-SERVICE
Availability	25 counties	All 58 counties
Market Share	50% of all beneficiaries	50% of all beneficiaries
Population	Mandatory enrollment: <ul style="list-style-type: none"> • Children • Pregnant women • Non-disabled parents Voluntary enrollment: <ul style="list-style-type: none"> • Most elderly and disabled 	Most elderly and disabled In counties without managed care: <ul style="list-style-type: none"> • Children • Pregnant women • Non-disabled parents
Expenditures*	19%	81%
Carve Outs	<ul style="list-style-type: none"> • Mental health • Dental • Long term care • California Children Services (CCS) for the seriously ill and disabled 	N/A

Types of Managed Care Model for Medi-Cal (2009)

■ County Organized Health System (COHS)

- 592,627 beneficiaries in 9 counties
- 5 county organized health plans
- Implemented in 1983

■ Geographic Managed Care (GMC)

- 340,083 beneficiaries in 2 counties
- 7 commercial health plans
- Implemented in 1993

■ Two Plan

- 2.36 million beneficiaries in 12 counties
- 9 local initiatives and 3 commercial health plans
- Implemented in 1993

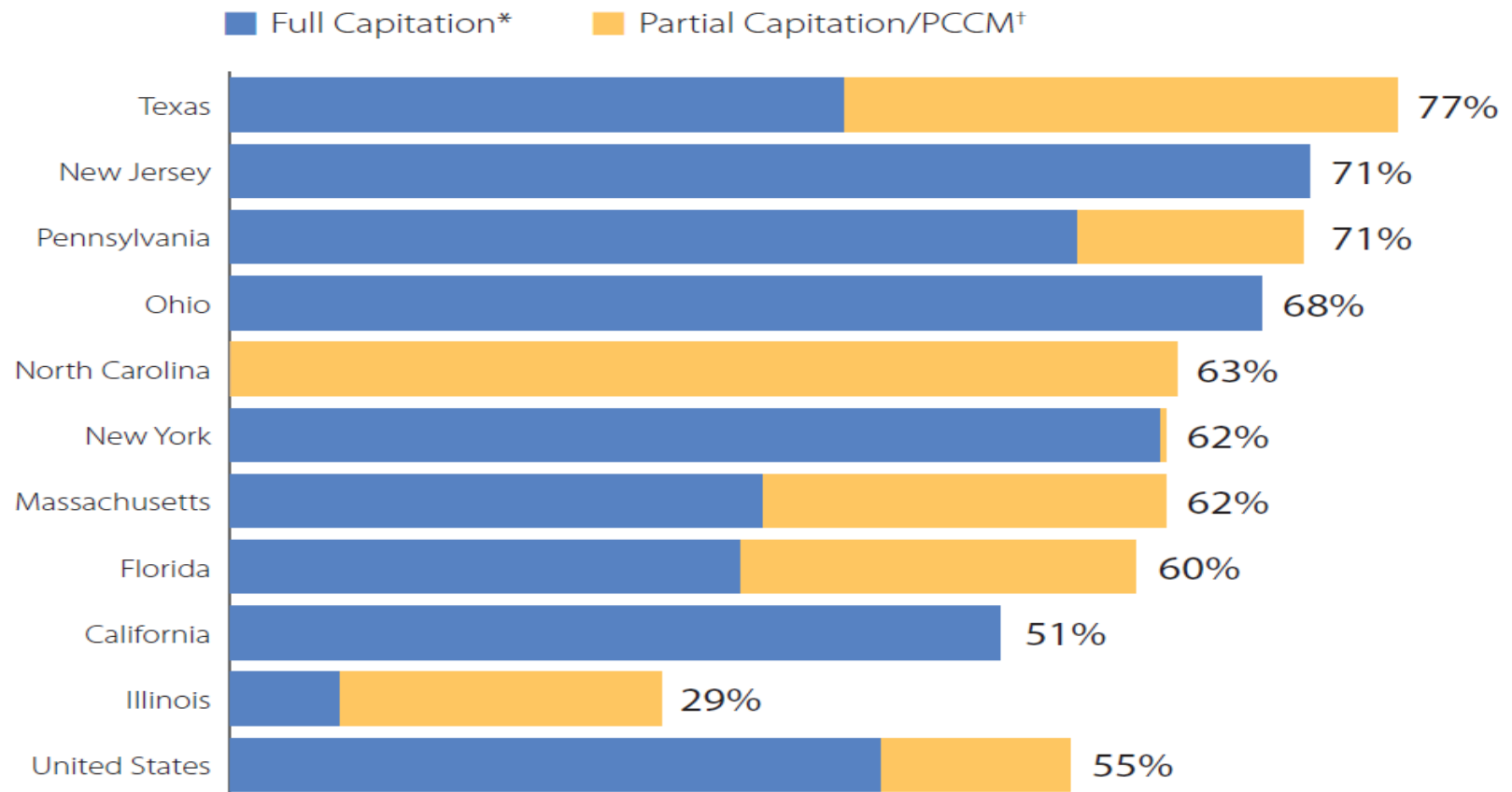
■ Managed Care Expansion

- Approved in 2005
- Implemented in San Luis Obispo in 2008; implementation in Merced and Sonoma scheduled for October 2009



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Medicaid Managed Care Penetration (2009)



*Includes commercial and Medicaid only. Prepaid Inpatient Health Plans (PIHP), Prepaid Ambulatory Health Plans (PAHP), Programs for All-Inclusive Care (PACE), and other are excluded.

†Primary Care Case Management

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Thank you

Data/Information sources: California HealthCare Foundation (CHCF)

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